



# PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

**FOR IMMEDIATE RELEASE**  
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## **First State Bank, Mendota, Illinois, Assumes All of the Deposits of Valley Community Bank, St. Charles, Illinois**

Valley Community Bank, St. Charles, Illinois, was closed today by the Illinois Department of Financial and Professional Regulation – Division of Banking, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with First State Bank, Mendota, Illinois, to assume all of the deposits of Valley Community Bank.

The five branches of Valley Community Bank will reopen during their normal business hours beginning Saturday, February 26, as branches of First State Bank. Depositors of Valley Community Bank will automatically become depositors of First State Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to applicable limits. Customers of Valley Community Bank should continue to use their existing branches until they receive notice from First State Bank that it has completed systems changes to allow other First State Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Valley Community Bank can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of December 31, 2010, Valley Community Bank had approximately \$123.8 million in total assets and \$124.2 million in total deposits. In addition to assuming all of the deposits of the failed bank, First State Bank agreed to purchase essentially all of the assets.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at [www.fdic.gov](http://www.fdic.gov), by subscription electronically (go to [www.fdic.gov/about/subscriptions/index.html](http://www.fdic.gov/about/subscriptions/index.html)) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). **PR-48-2011**

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-357-7599. The phone number will be operational this evening until 9:00 p.m., Central Standard Time (CST); on Saturday from 9:00 a.m. to 6:00 p.m., CST; on Sunday from noon to 6:00 p.m., CST; and thereafter from 8:00 a.m. to 8:00 p.m., CST. Interested parties also can visit the FDIC's Web site at <http://www.fdic.gov/bank/individual/failed/valleycomm.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$22.8 million. Compared to other alternatives, First State Bank's acquisition was the least costly resolution for the FDIC's DIF. Valley Community Bank is the 23rd FDIC-insured institution to fail in the nation this year, and the second in Illinois. The last FDIC-insured institution closed in the state was Community First Bank-Chicago, Chicago, Illinois, on February 4, 2011.

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